

**HIFA DEMONSTRATION WAIVER BUDGET TEMPLATE
NEW MEXICO STATE COVERAGE INITIATIVE**

	Previous Fiscal Year	FFY 2003Federal Fiscal Year 1	FFY 2004Federal Fiscal Year 2	FFY 2005Federal Fiscal Year 3	FFY 2006Federal Fiscal Year 4	FFY 2007Federal Fiscal Year 5
State's Allotment	\$ 33,494,942	\$ 33,494,942	\$ 33,494,942	\$ 33,494,942	\$ 33,494,942	\$ 33,494,942
Funds Carried Over From Prior Year(s)	\$ 50,766,995	\$ 84,261,937	\$ 66,989,884	\$ 61,240,771	\$ 48,999,767	\$ 28,787,198
SUBTOTAL (Allotment + Funds Carried Over)	\$ 84,261,937	\$ 117,756,879	\$ 100,484,826	\$ 94,735,713	\$ 82,494,709	\$ 62,282,140
Reallocated Funds (Redistributed or Retained that are Currently Available)						
TOTAL (Subtotal + Reallocated funds)	\$ 84,261,937	\$ 117,756,879	\$ 100,484,826	\$ 94,735,713	\$ 82,494,709	\$ 62,282,140
State's Enhanced FMAP Rate	82%					

COST PROJECTIONS OF APPROVED SCHIP PLAN						
Benefit Costs						
Insurance payments						
Managed care	\$ 19,316,736	\$ 27,453,612	\$ 31,767,876	\$ 36,887,760	\$ 42,420,924	\$ 48,784,063
per member/per month rate @ # of eligibles*	\$ 131	\$ 139	\$ 147	\$ 156	\$ 165	\$ 175
Fee for Service						
Total Benefit Costs	\$ 19,316,736	\$ 27,453,612	\$ 31,767,876	\$ 36,887,760	\$ 42,420,924	\$ 48,784,063
(Offsetting beneficiary cost sharing payments)						
Net Benefit Costs	\$ 19,316,736	\$ 27,453,612	\$ 31,767,876	\$ 36,887,760	\$ 42,420,924	\$ 48,784,063
Administration Costs						
Personnel	\$ 158,600	\$ 158,600	\$ 158,600	\$ 158,600	\$ 158,600	\$ 158,600
General administration						
Contractors/Brokers (e.g., enrollment contractors)	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500	\$ 211,500
Claims Processing						
Outreach/marketing costs	\$ 105,800	\$ 105,800	\$ 105,800	\$ 105,800	\$ 105,800	\$ 105,800
Other	\$ 52,900	\$ 52,900	\$ 52,900	\$ 52,900	\$ 52,900	\$ 52,900
Total Administration Costs	\$ 528,800	\$ 528,800	\$ 528,800	\$ 528,800	\$ 528,800	\$ 528,800
10% Administrative Cap	\$ 2,146,304.00	\$ 3,050,401.33	\$ 3,529,764.00	\$ 4,098,640.00	\$ 4,713,436.00	\$ 5,420,451.40
Federal Title XXI Share	\$ 16,311,046	\$ 22,998,744	\$ 26,544,638	\$ 30,752,671	\$ 35,300,378	\$ 40,530,242
State Share	\$ 3,534,490	\$ 4,983,668	\$ 5,752,038	\$ 6,663,889	\$ 7,649,346	\$ 8,782,621
TOTAL COSTS OF APPROVED SCHIP PLAN	\$ 19,845,536	\$ 27,982,412	\$ 32,296,676	\$ 37,416,560	\$ 42,949,724	\$ 49,312,863

* net of copayments

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COST PROJECTIONS OF HIFA DEMONSTRATION PROPOSAL						
Benefit Costs for Demonstration Population #1 (Phase I Expansion Pop)						
Insurance payments						
Managed care	\$ 12,600,000	\$ 24,199,560	\$ 27,255,427	\$ 32,142,755	\$ 35,929,478	
per member/per month rate @ # of eligibles**	\$ 210	\$ 224	239	\$ 255	272	
Fee for Service						
Total Benefit Costs for Waiver Population #1	\$ 12,600,000	\$ 24,199,560	\$ 27,255,427	\$ 32,142,755	\$ 35,929,478	
Project number of Beneficiaries	7,500	9,000	9,500	10,500	11,000	
Benefit Costs for Demonstration Population #2 (Phase I Optional Pop)						
Insurance payments						
Managed care	\$ 12,600,000					
per member/per month rate @ # of eligibles	\$ 210					
Fee for Service						
Total Benefit Costs for Waiver Population #2	\$ 12,600,000					
Benefit Costs for Demonstration Population #3 (e.g., pregnant women)						
Insurance payments						
Managed care						
per member/per month rate @ # of eligibles						
Fee for Service						
Total Benefit Costs for Waiver Population #3						
Total Benefit Costs	\$ 25,200,000	\$ 24,199,560	\$ 27,255,427	\$ 32,142,755	\$ 35,929,478	
(Offsetting beneficiary and employer cost sharing payments)	\$ 11,400,000	\$ 10,260,000	\$ 10,830,000	\$ 11,970,000	\$ 12,540,000	
Net Benefit Costs***	\$ 13,800,000	\$ 13,939,560	\$ 16,425,427	\$ 20,172,755	\$ 23,389,478	
Administration Costs						
Personnel	\$ 312,500	\$ 343,750	\$ 378,125	\$ 415,938	\$ 457,531	
General administration						
Contractors/Brokers (e.g., enrollment contractors)						
Claims Processing	\$ 1,008,000	\$ 967,982	\$ 1,226,494	\$ 1,607,138	\$ 1,796,474	
Outreach/marketing costs	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	
Other (specify)						
Total Administration Costs	\$ 1,520,500	\$ 1,511,732	\$ 1,804,619	\$ 2,223,075	\$ 2,454,005	
10% Administrative Cap	\$ 1,533,333	\$ 1,548,840	\$ 1,825,047	\$ 2,241,417	\$ 2,598,831	
Total Admin Cap (state plan and demo)	\$ 4,583,735	\$ 5,078,604	\$ 5,923,687	\$ 6,954,853	\$ 8,019,282	
Total proposed Admin. costs (state plan and demo)	\$ 2,049,300	\$ 2,040,532	\$ 2,333,419	\$ 2,751,875	\$ 2,982,805	
Federal Title XXI Share	\$ 12,591,919	\$ 12,699,417	\$ 14,983,275	\$ 18,407,133	\$ 21,240,759	
State Share	\$ 2,728,581	\$ 2,751,875	\$ 3,246,771	\$ 3,988,697	\$ 4,602,724	
TOTAL COSTS FOR DEMONSTRATION	\$ 15,320,500	\$ 15,451,292	\$ 18,230,046	\$ 22,395,830	\$ 25,843,483	
TOTAL PROGRAM COSTS (State Plan + Demonstration)						
	\$ 43,302,912	\$ 47,747,968	\$ 55,646,606	\$ 65,345,554	\$ 75,156,345	
Total Federal Title XXI Funding Currently Available (Allotment + Reallocated Funds)						
	\$ 117,756,879	\$ 100,484,826	\$ 94,735,713	\$ 82,494,709	\$ 62,282,140	
Total Federal Title XXI Program Costs (State Plan + Demonstration)	\$ 35,590,663	\$ 39,244,055	\$ 45,735,945	\$ 53,707,511	\$ 61,771,000	
Unused Title XXI Funds Expiring (Allotment or Reallocated)	\$ 15,176,332	0	0	0	0	
Remaining Title XXI Funds to be Carried Over (Equals Available Funding - Costs - Expiring)	\$ 66,989,884	\$ 61,240,771	\$ 48,999,767	\$ 28,787,198	\$ 511,140	

** net of copayments

***net of employer and individual premium sharing

Assumptions:

Assumes same SCHIP allotment for FFY 2003-FFY 2007 and match rate of 82.19% for waiver period

Assumes 6 percent inflation in pmpm rate for children, and 6.7 percent for adults.

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SCI Admin: assumes 5 FTE at \$50K each plus benefitS and 10% increase per year, claims processing of between 4% and 5% of benefits, \$200K per year for marketing/outreach.